Action by FIs to protect Public investment in Dunlop India Ltd

3754. SHRI DIPANKAR MUKHERJEE: Will the Minister HNANCE be pleased to xrefer to the answer to Unstarred Question 1438 given in the k'ajya Sabha on 9th June, 1998 and state:

(a) the action taken by the financial institutionms on the receipts of BIFR's orders to protect the interest of the public investments in the Company;

(b) whether any remedial measures were taken by the financial institutions to arrest the sickness of the company;

(c) if not, the reasons therefor;

(d) whether any action is being taken for the alleged absence of the F.Is Nominee in the Board meetings; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAN):

(a) The insurance companies have reported that they are awaiting the revival package to be submitted by the company to the operating agency IDE! on the basis of the report given by BIFR. Further action will be taken after the revival package is received.

(b) and (c) Life Insurance Corporation of India (LIC) have reported that in Nominee Director has been expressing his views and concerns in the Board Meetings. Some of the important corrective action taken by the company at the instance of the Nominee Direcor are:—

(i) Many inter—corporate deposits were recovered and some of them have been converted into secured loans;

(ii) The Nominee Director has ensured that all borrowings and investments of the company are reported to the Board;

(iii) The Nominee Director objected to the company's payment for the services of Group consultant amounting to Rs. 4 crores per annum or Rs. 34 lakhs per month for a period of one year.

(d) and (e) The LIC has reported that the nominee of the FIs has been attending the Board Meetings except on a few occasions due to other exigencies of office work.

Complaints Against UTI and Other Private Finance Companies

3755. SHRI DIPANKAR MUKHER JEE: Will the Minister of HNANCE be pleased to refer to the answer to Unstar red Question 1392 given in the Rajya Sabha on 9th June, 1998 and state:

(a) whether Government's attention has been drawn to the Grievance column captioned "UTI has cheated me" and some other complaints regarding deposits in private finance companies in "Hindustan Times" dated 15th June, 1998;

(b) if so, the action taken by Government on case to case basis so far; and

(c) the specific action taken with regard to the complaints mentioned in the above-referred" Unstarred Question?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) The information is being collected and will be laid on the Table of the House.

Memorandum Requesting for Exemption of Excise Duty on Muth Freshncr

3756. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minis ter of FINANCE be pleased to state:

(a) whether Government have received any Memorandum from the Small Scale Pan Masala Manufacturers Association requesting for exemption of excise duty on Mouth Freshner;

(b) if so, the reaction of Government thereto;

(c) whether Government are aware that lakhs of poor workers, including widows and the handicapped, are enr-

ployed in the small scale units manufacturing Mouth Freshner; and

(d) if so, whether Government propose to exempt the excise duty on Mouth Freshner considering the interest of the poor workers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANA): (a) to (c) The Government have received memorandum from the Small Scale Pan Masala Manufacturers Association requesting exemption of excise duty on Mouth Freshner. Rates of excise duty are prescribed after taking consideration all relevant factors, including the nature of goods, revenue potential, the general state of the industry and administrative convenience.

(d) At present, there is no proposal under consideration of the Government for exempting month freshner from excise duty.

Categorisation of Pan Masala/Moutb Freshner for Excise Duty

3757. SHRIMATI URMILABEN CHIMANBHAI PATEL:
SHRI BRAHMAKUMAR BHATT:

Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that Pan Masala and Mouth Freshner have been classified under the same category for purpose of excise duty;

(b) if so, the ingredients used for these two products;

(c) whether it is also a fact that the major ingredients differ in Pan Masala and Mouth Freshner and the classification of the two under one category is not justified; and

(d) if so, whether Government propose to review its decision and impose separate rates of excise duty for Pan Masala and Mouth Freshner?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) Pan Masala and Mouth Freshner both are classified under heading 21.06 of Central Excise Tariff subject to Note 3 of Chapter 21.

(b) Pan Masala contains bctelnut and any one or more of the ingredients, namely. Lime, Katha (Catechu) and tobacco, and/or cardamom, kopra, menthol etc.

So called Mouth Freshner generally contains Dry Dates (Chhuara), bctelnut. Catechu, lime, flavours and/or any other ingredients, namely. Sugar, coco, Mulcthi, menthol, cardamom, saunf, giri etc.

(c) The Chapter Note 3 of Chapter 21 provides that "Pan Masala" means any preparation containing betelnut and any one or more of the following ingredients, namely, lime, Katha (catechu) and tobacco, whether or not containing any other ingredients such as cardamom, Kopra and menthol.

All products conforming to the description of "Pan Masala" contained in Note 3 of Chapter 21 will be classifiable under heading 21.06 irrespective of the fact as to which ingredient is in major proportion. Thus classification of any product, whether called as Pan Masala or Mouth Freshner, would fall under the classification of "Pan Masala" specifically mentioned under heading 21.06.

(d) No such proposal is under consideration at present.

Gap between capital receipts and capital expenditure

3158. DR. B.B. DUTTA: Will the Minister of FINANCE be pleased to state:

(a) the magnitude of borrowings made by India during the last six years;

(b) the details of capital receipts and capital expenditure during the last six years;